# GOVERNMENT OF INDIA
# CHEMICALS AND FERTILIZERS
# LOK SABHA

UNSTARRED QUESTION NO:3396
ANSWERED ON:06.12.2016
Subsidy Payments
Mondal Shri Sunil Kumar

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government has not paid subsidy to the fertilizers company on time,

(b) if so, the details of unpaid amount and the reasons therefor during last three years,
(c) whether the nonpayment of subsidy dues has lead to severe financial crunch for fertilizers companies : and

(d) if so, the details thereof and the reaction of the Government thereto?

## Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS, SHIPPING, ROAD TRANSPORT & HIGHWAYS

(SHRI MANSUKH L. MANDAVIYA)
(a) : No, Madam. Government has made payment of subsidy to the fertilizers companies on regular basis subject to availability of budget.

(b) : The details of amount unpaid during each of the last three years against the claims received by the Department are as under:
(Amount in crore)
Particular 2013-14 2014-15 2015-16
Indigenous Urea 221.47 148.31 483.68
Imported P&K Fertilizers 216.36 324.34 525.36
Indigenous P&K 406.838 1317.36 1019.68

Unpaid amount largely relates to balance claim as well as freight claim of previous years which could not be paid due to non-receipt of Proforma-B2 (Quality Certificate) from the State Governments or due to non availability of budget.

(c) & (d) : Non-payment of subsidy in time normally affects the working capital of the fertilizer companies. However, whenever shortages of funds were noticed, the Government tried to liquidate the pending subsidy by arranging loans under a Special Banking Arrangement (SBA) with consortium of Public Sector Banks. The quantum of loans availed under SBA in the past years is given as under:

Year Loan amount
(Rs.in crore)
2012-13 5000
2013-14
5500
9000
2014-15 7000

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